

1 IN THE UNITED STATES BANKRUPTCY COURT  
2 FOR THE SOUTHERN DISTRICT OF TEXAS  
3 HOUSTON DIVISION  
4 IN RE: § CASE NO. 20-33948-11  
5 FIELDWOOD ENERGY, LLC, § HOUSTON, TEXAS  
6 ET AL, § THURSDAY,  
7 DEBTORS. § JANUARY 28, 2021  
8 § 2:27 P.M. TO 3:40 P.M.

9 STATUS CONFERENCE AND EMERGENCY MOTION (VIA ZOOM)

10  
11 BEFORE THE HONORABLE MARVIN ISGUR  
12 UNITED STATES BANKRUPTCY JUDGE

13 APPEARANCES: SEE NEXT PAGE  
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33 (Please also see Electronic Appearances.)

1                   HOUSTON, TEXAS; THURSDAY, JANUARY 28, 2021; 2:27 P.M.

2                   (Conference muted.)

3                   THE COURT: All right. In a moment, we're going  
4 to call the Fieldwood Energy case. If you intend to speak  
5 at the hearing, let me ask you to press five star on your  
6 phone, so that I can get the different lines opened up.

7                   (Pause in the proceedings.)

8                   (Conference recording started.)

9                   THE COURT: All right. We're going to start with  
10 a status report from Debtors' counsel and then see where we  
11 go from there.

12                  Who is going to speak for the Debtor?

13                  MR. GENENDER: Your Honor, Paul Genender for the  
14 Debtors. Can you hear me okay?

15                  THE COURT: I can, Mr. Genender. Go ahead,  
16 please.

17                  MR. GENENDER: Good afternoon, Your Honor. Thank  
18 you very much for making time for us this afternoon on short  
19 notice for the status conference. We appreciate it.

20                  The emergency motion that we're here on for the  
21 status was filed late yesterday at docket entry 792, and it  
22 is truly a time-sensitive matter.

23                  The Debtors' estates stand to suffer significant  
24 damage unless BP is compelled to perform under its  
25 pre-petition contracts with Fieldwood. BP should have the

1 same interest in preserving this lease as Fieldwood does.  
2 The parties should be aligned under this motion. A recent  
3 executive order from the Department of Interior makes this  
4 an emergent issue that caused us to file the emergency  
5 motion and, of course, we apologize to the US Trustee for  
6 the insufficient notice regarding the motion and the request  
7 to seal certain documents.

8                   We're having discussions with business people to  
9 try to resolve the issue, but unfortunately the timing, as I  
10 mentioned, forced us to file the motion now. BP owns a  
11 platform, Na Kika, where a base production will occur and  
12 operates a root system connecting Genovesa well to Na Kika.  
13 The flow line plan mentioned in our motion is a short-term  
14 fix needed to make this connection and allow Genovesa to  
15 come online.

16                   That repair will make the six-to-eight weeks --  
17 that is the repair will take six-to-eight weeks to complete  
18 and in light of the recent Department of Interior to meet  
19 the deadline to come online and avoid the termination by  
20 2021. If the lease is terminated due to inactivity between  
21 now and April 5th, there's no guarantee we can get it back.  
22 And there's no assurance that an SOP will be available  
23 either. In any event, we would not know for some time an  
24 answer to whether suspension of production order would be  
25 available.

1           Eight weeks from today, Your Honor, just as a  
2 matter of calendaring, is March 25th, just ten days prior to  
3 April 5th. With weather delays and other variables there's  
4 next to no time to spare.

5           So what we're asking the Court to do is to compel  
6 BP in the motion to perform under and comply with the  
7 operative agreements, including repair the lines so the  
8 Genovesa well would come online by April 5th and will pay  
9 for this leaving no cost to BP. And to let Fieldwood do  
10 what's necessary to effectuate those repairs.

11           There are larger repairs that are needed to repair  
12 the overall root system, Your Honor, but this motion is not  
13 about those larger long-term repairs. The parties have been  
14 discussing the single flow-line plan that is at issue in the  
15 motion for months, but BP has yet to commit to a schedule  
16 despite Fieldwood's urging.

17           Importantly, just last month, BP completed a  
18 similar single-flow line plan for its own well, Isabella, on  
19 the other side of the root system opposite Genovesa and two  
20 other Fieldwood wells. So this can be done.

21           We've had productive discussions with counsel for  
22 BP this week and appreciate that they were just retained  
23 earlier this week, even though these issues are not new to  
24 BP. We shared documents with BP's counsel and conferred at  
25 length before we filed the motion late yesterday. We're

1 hopeful the parties can reach agreement, but do not, Your  
2 Honor, have the luxury of time to wait in the event they  
3 cannot.

4 We plan to have the motion fully heard tomorrow  
5 afternoon at 1:30. Mr. Stark, one of the lawyers for BP,  
6 advised me last night of a family conflict, which, of  
7 course, Your Honor, we want to respect and therefore, we  
8 wanted to get before you this afternoon for a status, given  
9 the time sensitivities. We'll also work with the US Trustee  
10 regarding sealing of the documents.

11 In any event, Your Honor, we will need and we will  
12 want to ask the Court to set aside time for the full hearing  
13 at the Court's earliest convenience, understanding not this  
14 day, but tomorrow morning as an alternative to tomorrow  
15 afternoon is unavailable but that there is time on Monday,  
16 although Your Honor, given the timeline that we're dealing  
17 with, the difference between tomorrow and Monday is not  
18 insignificant.

19 And perhaps I'll stop there, and of course, happy  
20 to answer any questions, Your Honor. Thank you so much.

21 THE COURT: Thank you.

22 Ms. Heyen, Mr. Burrer, tell me what's going on.

23 MS. HEYEN: Thank you, Your Honor. Shari Heyen  
24 and Karl Burrer for BP Exploration & Production.

25 Your Honor, we did receive the motion last night

1 and we've been working with our client to gather documents  
2 and witnesses, et cetera, and obviously we disagree with the  
3 recitation of the facts as set forth in the motion.

4                   From the motion on file with the Bankruptcy Court,  
5 we understand that Fieldwood believes that the emergency was  
6 caused by the order issued on January 20th by the Department  
7 of Interior, and given the extreme lack of notice, we have  
8 about 12 business hours to prepare for an important  
9 evidentiary, contested hearing. We may have a potential  
10 interim solution that we would like to explore with the  
11 Court and Fieldwood. And it's basically a two-prong  
12 suggestion.

13                   First, as a gaiting issue, a permit must first be  
14 obtained before any work can commence. So the permit --  
15 like I said, the permit is a gaiting issue and BP will  
16 commit to move the permitting process forward as quickly as  
17 possible. We understand it will take a few days to obtain a  
18 permit, but we would like to start that process right now.

19                   The construction of the temporary fix must be done  
20 in a safe and responsible manner. This is a deepwater  
21 platform. It involves a (indiscernible) loop owned by BP.  
22 The timeline and construction plan must be memorialized and  
23 documented and counsel for Fieldwood and BP will continue to  
24 work on those draft documents. There is risk, cost, safety  
25 factors that must be taken into consideration here, but Your

1 Honor, I think the parties are working on that documentation  
2 and they have been working on that documentation.

3 Fieldwood would not be prejudiced if we're  
4 permitted to obtain the permit and start working on that  
5 process. It's not losing any time.

6 The second prong would be that Fieldwood must take  
7 the initiative to request and use good faith efforts to  
8 obtain a Suspension of Production, or SOP. Fieldwood's  
9 statement that it doesn't think it can be an SOP shouldn't  
10 count by the Court. We think Fieldwood should be compelled  
11 to start that process now. And if Fieldwood is successful  
12 in obtaining the SOP, it would moot the relief requested by  
13 Fieldwood in the motion. I think that relieves pressure on  
14 the back end, so we're not rushing for -- to do something  
15 that's a pretty complex fix.

16 Your Honor, by allowing the permitting process to  
17 move forward, which is a gaiting issue that must be handled  
18 in any event and compelling Fieldwood to move forward with  
19 the SOP, that alleviates the emergency nature requested by  
20 Fieldwood. It might be a better use of the Court's and the  
21 parties' time and resources to move the hearing to sometime  
22 next week. I think I heard Mr. Genender mention Monday. We  
23 can either come back for a status conference on Monday, but  
24 Your Honor, if we do come back for a hearing on Monday, that  
25 would give BP a little bit more time to prepare and get

1 ready for an evidentiary hearing. As I mentioned, we were  
2 just retained this week and were given the motion last  
3 night.

4 THE COURT: Mr. Genender, I don't know if you need  
5 time to confer. Do you know whether your client agrees from  
6 a factual point of view that getting the permit is a gaiting  
7 issue to commencing the work and therefore, there's no  
8 difference between a hearing on Friday and a hearing on  
9 Monday?

10 MR. GENENDER: I would need to confer with the  
11 client on that issue, Your Honor, but I can say state to the  
12 SOP issue right now and that's a little bit of a chicken and  
13 the egg issue in the sense that in order to apply for and  
14 get an SOP, we need a schedule. We need the very schedule  
15 that BP is yet to give us for the completion of the work.

16 So I don't see an issue necessarily in that dual  
17 path, but we have to have a schedule to get the work done to  
18 do it. And what we've also -- and Your Honor, we're  
19 certainly prepared to put evidence on, the world has changed  
20 in many respects or appears to have changed in many respects  
21 and thus (indiscernible) different orders that have come out  
22 and the risks here and the processes to get an SOP look to  
23 be different than they might have been just two weeks ago.

24 So I can certainly confer about the permitting.  
25 If that's something they could do, they could have done

1 yesterday or the parties have been discussing this issue for  
2 months and every time we've frankly heard the same thing,  
3 which is, okay, next month; okay, next month.

4 We were told this was going to be done Q1. Now  
5 we're sitting here with a six-day week schedule --

6 THE COURT: Okay. Let's get the answer. I hear  
7 you. Let's get the answer to the question though.

8 Mr. Sergesketter, if you want to press five star,  
9 I know you wanted to speak, but I need to figure out what  
10 phone line you're one.

11 MR. SERGESKETTER: That's exactly what I was going  
12 to pitch to Your Honor, so thank you very much.

13 THE COURT: Oh, this is your client?

14 MR. SERGESKETTER: Your Honor, are you able --

15 THE COURT: Yes, sir. Go ahead.

16 MR. SERGESKETTER: Your Honor, Robert  
17 Sergesketter. I am in-house counsel with Fieldwood Energy.

18 Mr. Genender did speak what I was trying to state  
19 and I don't want to belabor the point, but the search by  
20 Fieldwood submitting an SOP application for suspension of  
21 production could negate the emergency status of this hearing  
22 could not be further from the truth. We have no idea how  
23 long an SOP if submitted would take to be granted in the new  
24 arena between now we're playing.

25 As Mr. Genender clarified, we are prohibited from

1 submitting an SOP until we have a hard schedule from BP,  
2 which we've been asking for for quite some time. Once we  
3 have that, we have no qualms with submitting for an SOP, but  
4 we cannot sit around and wait for that SOP to be granted.  
5 That could take weeks or months. We have no idea.

6 Even in an ordinary course before this new  
7 Department of Interior order, an SOP could take some time to  
8 be approved. Now, they're really --

9 THE COURT: Is it correct that the permitting is a  
10 gaiting issue?

11 MR. SERGESKETTER: The initial permit that she's  
12 suggesting, they absolutely do need to get that permit, Your  
13 Honor. I completely agree, but that could have been put in  
14 process quite some time ago. We encouraged them to apply  
15 for it.

16 THE COURT: I can't deal with what should have  
17 happened yesterday.

18 MR. SERGESKETTER: I understand.

19 THE COURT: What I want to find out is, can you  
20 start construction or can they start construction without  
21 getting a permit?

22 MR. SERGESKETTER: I don't know the answer to that  
23 specific question, but they certainly can get vessels moving  
24 to be onsite and everything can be put in place while that  
25 permit is being granted, Your Honor.

1                   THE COURT: Right. So --

2                   MR. SERGESKETTER: In other words, there's a lot  
3 of parallel path work that can be done while the permit is  
4 pending.

5                   THE COURT: And that's -- Ms. Heyen, what I was  
6 about to ask was whether your client was amenable to  
7 immediately commencing the permitting processes you have  
8 outlined and simultaneously taking all actions that your  
9 client is allowed by law to take to prepare to do the work  
10 so that when the permit is issued, you can immediately move.

11                  As to whether I'll order you to move is a  
12 different question, but what I'm trying to do is to avoid  
13 having to have a hearing, you know, today or tomorrow to  
14 give you a reasonable opportunity to prepare, but I really  
15 don't think it's reasonable -- and it may be. I want to  
16 give you a chance to talk to your client, just like I want  
17 Mr. Genender to have a chance to talk to his client.

18                  I don't think I should put the hearing off, if  
19 that's going to actually result in delay. But if your  
20 client is going to follow a permitting path and follow the  
21 scheduling path and follow a commencement path --  
22 pre-commencement path, then I don't see why there's a reason  
23 to make you come in with witnesses, you know, without more  
24 notice and I'm inclined to live with a much different  
25 schedule.

1                   Do you need time to -- and I don't at all mind  
2 saying that the Debtor has to, you know, work on the  
3 Suspension of Production application, as well, but they can  
4 only do that with the information that they may be required  
5 to have. I'm not finding they are required to have the  
6 schedule, though that makes a lot of sense to me. And so  
7 but I don't mind ordering them to proceed with Suspension of  
8 Production as fast as they can get that done and to the  
9 extent that's dependent on information from you as fast as  
10 they can get it done, is dependent on you.

11                  Do you have a problem with requiring you to take  
12 those three steps and then we'll have a more orderly way to  
13 hear this? Do you want to try to talk to your client?

14                  MS. HEYEN: Your Honor, Shari Heyen.

15                  THE COURT: I'm sorry. Do you want time to talk  
16 to your client?

17                  MS. HEYEN: Your Honor, can you hear me?

18                  THE COURT: I can. I didn't mean to interrupt  
19 you.

20                  MS. HEYEN: No problem. Thank you, Your Honor.

21                  Yes, I would like some time to confer with my  
22 client. I do not anticipate that that will be an issue, but  
23 I would like to speak with them offline, if it pleases the  
24 court?

25                  THE COURT: Sure. How long do you need?

1 MS. HEYEN: Maybe 30 minutes?

2 THE COURT: Okay. Why don't we -- let me --

3 Mr. Statham, I know you had something you wanted to talk  
4 about, but I'm inclined to think we'll come back at 3:30 and  
5 if you want to address issues now, that's great. Otherwise,  
6 we'll adjourn until 3:30.

7 And if somebody else wants to address something  
8 now, that's fine, as well.

9 MR. STATHAM: Your Honor, if I could, I only have  
10 about two minutes. It'll be a quick comment.

11 Obviously my client is taking a hard look at the  
12 proposed sealing motion, which currently is supported by  
13 evidence. We weren't aware of the sealing issue and didn't  
14 receive the sealed documents until late this morning after  
15 the (indiscernible) holding.

16 We appreciate Mr. Genender's comments and  
17 obviously we'll work with him and Mr. Perez after we review  
18 the material and see if any kind of resolution can be  
19 reached on the sealing matter.

20 Obviously a more surgical approach is preferred  
21 rather than a wholesale sealing of the documents in their  
22 entirety. That said, if we can't resolve that, we will at  
23 some point expect the Debtors to carry the burden to meet  
24 the evidentiary requirements to keep the sealing.

25 THE COURT: Let me make this pretty easy. I think

1 we tend to over-seal because it's convenient and the  
2 ordinary course should be documents get filed redacting  
3 stuff that ought to be redacted and then the redacted stuff  
4 ought to be sealed.

5           If it's an emergency, you probably don't have time  
6 to get that done in an orderly way. So I would encourage  
7 the parties as they talk through how to handle this, to find  
8 a way to have an orderly filing of an unsealed, but redacted  
9 set of exhibits and the same with the motion, and then to  
10 have sealing apply only to those parts that are proprietary  
11 and confidential.

12           I don't know if that works for you or not, but I  
13 also need to respect the fact that in an emergency, you  
14 know, the packet I got was like that -- about that thick  
15 (indicating), I think. You know, going through and figuring  
16 out exactly what to redact, if you're worried that the world  
17 is going to end, is probably something that can wait a day  
18 or two.

19           On the other hand, your client I suspect now has  
20 everything un-redacted, right?

21           MR. STATHAM: Yes, sir.

22           THE COURT: I hope that you-all can live with that  
23 kind of guidance, but if not, I'll hear whatever dispute  
24 there is, but in general I don't want to be over-redacting  
25 things that don't need to be -- over-sealing things that

1 shouldn't be.

2 MR. GENENDER: Your Honor, it's Paul Genender.

3 We, of course, will work to get that resolved so that does  
4 not have to come back to your attention.

5 THE COURT: It's actually a -- I don't mean to  
6 belittle it at all. It's pretty important to me that I  
7 comply with Section 107 of the Bankruptcy Code, so if it  
8 needs to come to my attention, it comes to my attention.

9 Don't worry about it.

10 MR. GENENDER: Understood, understood, understood.

11 THE COURT: I'm also not in the least upset that  
12 when you have an emergency, there have to be priorities. I  
13 now though want to get it done the right way when we can  
14 assign -- maybe not Paul Genender -- to work on how to get  
15 those redacted.

16 MR. GENENDER: Well, if you want it done right,  
17 Your Honor, it's not going to be assigned to me.

18 THE COURT: Well, that was my point.

19 (Laughter.)

20 THE COURT: All right. We'll come back at 3:30.

21 Ms. Heyen, that works for your client; is that  
22 right?

23 MS. HEYEN: Yes, Your Honor. That works fine.  
24 Thank you.

25 THE COURT: And anyone else have anything you want

1 to say before we adjourn till 3:30?

2 (No audible response.)

3 THE COURT: All right. I'm going to disconnect  
4 all the lines. And we'll connect back up around 3:25.

5 Thank you.

6 (The parties thank the Court.)

7 (Recess taken from 2:48 p.m. to 3:28 p.m.)

8 AFTER RECESS

9 (Conference recording started.)

10 THE COURT: So if I could, let me start with the  
11 report from Ms. Heyen, and then we'll go back to  
12 Mr. Genender and then anyone else that wishes to make a  
13 comment at that point.

14 Ms. Heyen, what did we learn?

15 MS. HEYEN: Can you hear me, Your Honor?

16 THE COURT: I can.

17 MS. HEYEN: Thank you, Your Honor. Shari Heyen  
18 for BP Exploration.

19 We've had a chance to talk to our client. Thank  
20 you for the recess. And we will commit to do the following:

21 Number one, we will commit to get these permits  
22 and take all action allowed by law to prepare to do the  
23 work. And Your Honor, that comes with some obligations  
24 under the parties' contracts. We need Fieldwood and the  
25 other owners to sign the AFEs because we need their

1 commitment to pay for the work. That should not be an issue  
2 because it's my understanding the parties have acknowledged  
3 their obligations under the LSPS agreement with respect to a  
4 sole benefit AFE.

5                 Also, we think it's responsible action for the  
6 parties to continue to work together to try to document the  
7 construction and the mobilization of how exactly this  
8 construction work is going to be carried out because it  
9 needs to be carried out in a safe and prudent manner and  
10 according to proper protocols.

11                 And then also the parties -- there's a commitment  
12 -- I think Fieldwood needs to commit under the LSPS to  
13 continue its restructuring obligations and again, Your  
14 Honor, I think the parties are in active negotiations and  
15 discussions around that documentation. So I don't  
16 anticipate that would be a problem.

17                 Number two, BP will commit to send the schedule to  
18 Fieldwood that it's requesting so that it can continue -- or  
19 can begin the SOP or SOO process, whatever is applicable  
20 here.

21                 And then the third thing, I think is a response  
22 from Fieldwood with respect to committing to obtain and  
23 start the SOP or SOO process.

24                 THE COURT: And if that occurs -- and I'm just  
25 here trying to think of, let's assume that all that works

1 for Fieldwood. It may or may not. Are we going to have a  
2 dispute at the end of the day as to whether BP is going to  
3 use its best efforts to complete by the deadline in the new  
4 order, or is that a matter that I need to schedule a hearing  
5 on because you have reasons why you don't think you should  
6 be obliged to do that?

7                   And I'm not asking this in anything other than  
8 just an objective way so that we can plan what we need for  
9 the next hearing. And you may not know the answer to that  
10 yet, either, which I got, too. And that's a fair answer.

11                  MS. HEYEN: Thank you. You know, I appreciate  
12 that. But in working with BP, I don't know that there will  
13 be a dispute over whether it's using its best efforts. I  
14 think that there are ongoing negotiations and conversations,  
15 I mean, like BP wants to act in a reasonable, responsible  
16 manner and believes that it has been. It just wants to make  
17 sure that this construction is done in the safest and most  
18 responsible way, so.

19                  THE COURT: Okay. Mr. Genender, given that  
20 announcement by Ms. Heyen, does it make some sense to come  
21 back -- and I haven't even looked at my own calendar, you  
22 know, Tuesday or Wednesday, for just a very short status  
23 conference. And if it turns out we then need an evidentiary  
24 hearing, I'll schedule it within a day of that, if that's  
25 the right thing to do. I mean, it isn't going to be my

1 calendar that will stop you from then getting a hearing  
2 quickly. Obviously I may need to listen to arguments that  
3 we can't do it within a day for some other reason, but my  
4 calendar won't stop it.

5 MR. GENENDER: Could I ask, Your Honor, that we  
6 come back for a status on Monday?

7 THE COURT: Yeah.

8 MR. GENENDER: Well, I just did ask, I should say  
9 correctly. I think we'd prefer to come back on Monday, Your  
10 Honor, and if we're in a great spot -- we're moving to a  
11 great spot, fantastic. I think we'd all like to know that  
12 sooner than later, if that's okay.

13 THE COURT: Yeah, but Monday will only be a status  
14 conference. I'm not going to make everybody get all their  
15 witnesses ready for Monday because it sounds like everyone  
16 is getting ready to head in the same direction and I don't  
17 want to spend a million dollars getting ready for a hearing  
18 if that's where we are.

19 MR. GENENDER: Understood, understood. I think  
20 we'd rather do that, have that status check in on Monday  
21 than Tuesday, if that's okay with the Court.

22 THE COURT: And is there anything -- we're moving  
23 fast. Ms. Heyen made a bunch of comments there that I found  
24 to be productive.

25 Is there anything she said that read in a

1 favorable light because it's hard to put everything in  
2 contractual terms when you're in Ms. Heyen's shoes? So read  
3 in a favorable and good faith light, does that all work?  
4 And that doesn't mean you can't come back on Monday and  
5 complain about it. I'm just trying to be sure that assuming  
6 her client interprets that in a way most favorable to you,  
7 in terms of her comments, that we are, in fact, moving the  
8 right direction?

9 MR. GENENDER: Your Honor, directional, yes.  
10 Sometimes the devil is in the details. The direction is  
11 yes.

12 THE COURT: I know.

13 MR. GENENDER: But the answer to your question is  
14 certainly I do think that you hit on a key issue, which is:  
15 Are we going to have a dispute as to whether this project  
16 can be done or be able to do this in six to eight weeks, but  
17 I'm hoping that we're not going to have a dispute. I'll  
18 share Ms. Heyen's hope that that can be the key issue and  
19 that we have the assurance now that the preparatory actions  
20 are taking place between now and Monday certainly. We  
21 appreciate that and then I know the Debtors appreciate that  
22 very much, Your Honor.

23 THE COURT: Thank you.

24 Mr. Skelton, you had wanted to speak.

25 MR. SKELTON: Yes, Judge. I represent Red Willow

1 Offshore, LLC and Houston Energy Development [sic] Ventures,  
2 LLC I. And we own basically 35 percent collectively of the  
3 prospect in question.

4 We have been actively involved, even though we're  
5 non-operators. Obviously we've been keenly following these  
6 events and it is in my view essential that the Court be  
7 prepared to take an active role if needed here. And we  
8 don't intend to get into a swearing contest with BP right  
9 now. I don't think that's productive, but shall we say that  
10 BP may have motives and reasons for not being in a  
11 (indiscernible). And all you have to do is look at their  
12 own press release.

13 THE COURT: Yeah, I'm not going there and I'm not  
14 letting you go there.

15 MR. SKELTON: All right. Well, shall we say that  
16 we believe the evidence will show that they --

17 THE COURT: I'm not going there and I'm not  
18 letting you go there.

19 MR. SKELTON: Okay.

20 THE COURT: I want to know -- all I want to know  
21 is whether this course of action of having a commitment from  
22 BP made to me and a status conference on Monday is the  
23 appropriate course of action? If we need to get into a  
24 fight, that'll be later. But for the same reason I didn't  
25 want Mr. Sergesketter to go into and Mr. Genender to go into

1 what had happened before, that's a damages fight that you  
2 guys can have in five years. You know, I'm worried about  
3 what I can do in the next week so that this project can get  
4 finished or not. And I want to be forward looking only.

5 So it isn't helpful, I don't think, for me to  
6 focus -- or for you to try to focus me on the past. I want  
7 to focus on the future.

8 So that does concept work, Mr. Skelton?

9 MR. SKELTON: Yes. I believe this is a salutary  
10 development and hopefully will bring us to a resolution of  
11 this very important issue.

12 THE COURT: Thank you.

13 And I assume you know that Ms. Heyen and I have  
14 worked many years and I think she knows I'm not shy, so  
15 we'll get there.

16 MR. SKELTON: Understood, Your Honor.

17 THE COURT: So we're talking February 1st. What  
18 time did you-all want to come in? I could do it anytime at  
19 3:30, 4:00, 4:30, 5:00, anything like that that works for  
20 the parties and will give us the most information possible  
21 by that point.

22 Mr. Barr raises the request for 4:00, I think. I  
23 don't think he's raising his hand. I think that was a  
24 4:00 o'clock request.

25 MR. GENENDER: Your Honor, are we at the point

1 where we're taking hand signals from Matt Barr? Is that  
2 what we've devolved into, Your Honor?

3 THE COURT: I'm afraid so because he didn't press  
4 five star on his phone.

5 Ms. Heyen, you can either give me a hand signal,  
6 or you can tell me 4:00 o'clock is okay with you.

7 MS. HEYEN: Your Honor, 4:00 is okay with BP.

8 THE COURT: All right.

9 MR. GENENDER: Your Honor, of course, 4:00 o'clock  
10 is good for the Debtors, Your Honor, and thank you for  
11 giving me a reason to give Mr. Barr a hard time this  
12 afternoon.

13 THE COURT: Thank you.

14 Mr. Skelton, are you okay with 4:00 o'clock. I  
15 don't -- my comments aren't mean to exclude your client from  
16 the discussion. I just want to be forward-looking.

17 You okay with 4:00?

18 MR. SKELTON: (No audible response.)

19 THE COURT: Okay. Anyone have any problem or any  
20 other comments that you wish to make about what we're doing?

21 Ms. Heyen, go ahead.

22 MS. HEYEN: Thank you, Your Honor.

23 Just one brief comment with respect to something  
24 that someone said -- I can't remember who it was. But we  
25 are endeavoring to use, you know, best efforts, good faith.

1 I don't want somebody to interpret this as there's some kind  
2 of a guarantee out there, but that, you know, we're in the  
3 middle of a pandemic. There could be weather, et cetera.

4                   But I just -- for the Record I just didn't want  
5 somebody to think --

6                   THE COURT: I think that was my comment, which was  
7 I'm going to interpret your comments in the light most  
8 favorable to working hard and in good faith to get things  
9 done. I did not take it as a guarantee.

10                  MS. HEYEN: Okay.

11                  THE COURT: I took it as you're going to try hard  
12 and you know, I'll hold you-all to trying hard. I don't know  
13 what outcome that means, but I'll hold you to trying hard.

14                  MS. HEYEN: Very good. Thank you, Your Honor.

15                  THE COURT: This sounds important to me for many  
16 reasons to get it done and to get it done right. And I  
17 really hope the parties can work together.

18                  Is there anything else I need to do to facilitate  
19 discussions or are these discussions going to go over the  
20 next 72 to 96 hours and we'll come back on Monday hopefully  
21 all knowing where we are.

22                  MR. GENENDER: I think it's the latter, Your  
23 Honor. This is Paul Genender for the Debtors.

24                  I think it's the latter and we appreciate you  
25 making time for us on short notice.

1           THE COURT: All right. We'll see you-all on  
2 Monday. Bye-bye. Thank you.

3           (The parties thank the Court.)

4           (Proceeding adjourned at 3:40 p.m.)

5                           \* \* \* \* \*

6           *I certify that the foregoing is a correct*  
7 *transcript to the best of my ability produced from the*  
8 *electronic sound recording of the ZOOM/telephonic*  
9 *proceedings in the above-entitled matter.*

10           /S/ MARY D. HENRY

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